

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-12-06

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
FINANCIAL REPORT
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2005
WITH SUPPLEMENTAL INFORMATION SCHEDULE

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PHIL T. GRAHAM

CERTIFIED PUBLIC ACCOUNTANT
(A PROFESSIONAL ACCOUNTING CORPORATION)

7732 GOODWOOD BOULEVARD, SUITE F ♦ BATON ROUGE, LOUISIANA 70806
TELEPHONE: 225/928-4865 ♦ FAX: 225/928-4866

June 20, 2006

Independent Auditor's Report

Honorable Holice T. Jackson, Jr.
East Feliciana Parish Assessor
Clinton, Louisiana

I have audited the accompanying financial statements of the governmental activities and the major fund of the East Feliciana Parish Assessor, as of and for the year ended December 31, 2005, which collectively comprise the East Feliciana Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Assessor's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

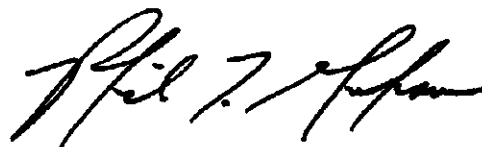
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the East Feliciana Parish Assessor as of December 31, 2005, and the changes in its financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated June 20, 2006, on my consideration of the East Feliciana Parish Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, and contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

Honorable Holice T. Jackson, Jr
June 20, 2006
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My audit was made for the purpose of forming our opinion on the basic financial statements taken as a whole. The required supplementary information on page 20 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The East Feliciana Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

A handwritten signature in black ink, appearing to read "Phil T. Jackson", is written in a cursive style.

BASIC FINANCIAL STATEMENTS
(OVERVIEW)

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

Statement A

East Feliciana Parish Assessor
Clinton, Louisiana
Statement of Net Assets
December 31, 2005

<u>Current Assets</u>	
Cash and cash equivalents	\$ 162,324
Investments	137,928
Prepaid insurance	6,800
Revenue receivable	
Ad valorem taxes	412,700
State revenue sharing	<u>130,530</u>
Total Current Assets	850,282
Capital assets net of accumulated depreciation	<u>30,847</u>
Total Assets	<u>\$ 881,129</u>
<u>Liabilities</u>	
Accounts payable	\$ 5,213
Salary withholdings:	
State tax	<u>678</u>
Total Liabilities	<u>5,891</u>
<u>Net Assets</u>	
Invested in capital assets net of related debt	30,847
Unrestricted	<u>844,391</u>
Total Net Assets	<u>875,238</u>
Total Liabilities and Net Assets	<u>\$ 881,129</u>

The accompanying notes are an integral part of this statement

East Feliciana Parish Assessor
 Clinton, Louisiana
 Statement of Activities
 December 31, 2005

Expenses:

General Government:

Personnel services	\$ 458,134
Operating services	33,045
Office supplies and expense	32,847
Travel and training	4,533
Depreciation expense	<u>18,866</u>
Total Program Expense	547,425

Program Revenues

Fees, charges and commissions for services	<u>1,341</u>
Net Program expenses	(546,084)

General Revenues

Ad valorem taxes	410,468
Intergovernmental-state funds-state revenue sharing	130,530
Interest earned	4,928
Investment income	688
Other	<u>2,500</u>
Total General Revenues	549,114

Change in Net Assets \$ 3,030

Net Assets, Beginning of Year 872,208

Net Assets, End of Year \$ 875,238

The accompanying notes are an integral part of this statement

FUND FINANCIAL STATEMENTS (FFS)

East Feliciana Parish Assessor
 Clinton, Louisiana
 Governmental Funds
 Balance Sheet
 For the Year Ended December 31, 2005

<u>Assets</u>	<u>General Fund</u>
Cash and cash equivalents	\$ 162,324
Investments	137,928
Prepaid insurance	6,800
Accounts receivable	
Ad valorem taxes	412,700
State revenue sharing	130,530
<u>Total Assets</u>	<u>\$ 850,282</u>
<u>Liabilities and fund Equity</u>	
<u>Liabilities</u>	
Accounts payable	\$ 5,213
Salary withholding	
State tax	678
<u>Total Liabilities</u>	<u>5,891</u>
 <u>Fund Equity—Fund Balances—Unrestricted—Undesignated</u>	 <u>844,391</u>
 <u>Total Liabilities and Fund Equity</u>	 <u>\$ 850,282</u>

See accompanying notes and Independent Auditor's Report.

East Feliciana Parish Assessor
Port Allen, Louisiana
Reconciliation of Governmental Funds
Balance Sheet to Statement of Net Assets
For the Year Ended December 31, 2005

<u>Total Fund Balances at December 31, 2005</u>		
<u>Governmental Funds (Statement C)</u>		\$ 844,391
Cost of Capital Assets at December 31, 2005	88,088	
Less: Accumulated depreciation as of December 31, 2005	(57,241)	<u>30,847</u>
<u>Net Assets at June 30, 2005</u>		<u>\$ 875,238</u>

See accompanying notes and Independent Auditor's Report.

Statement E

East Feliciana Parish Assessor
 Clinton, Louisiana
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2005

Revenues

Intergovernmental revenues:

Ad valorem taxes	\$ 410,468
State revenue sharing	130,530

Other revenues:

Interest on:

Ad valorem taxes	890
Investment income	4,725
Other	<u>3,842</u>

Total Revenues	<u>550,455</u>
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Expenditures

General government-taxation:

Personnel services and related benefits	\$ 458,134
Operating services	33,045
Office supplies and expense	32,847
Travel and training	4,533

Capital outlay	<u>20,153</u>
Total Expenditures	<u>548,712</u>

<u>Excess of Revenues over Expenditures</u>	<u>\$ 1,743</u>
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<u>Fund Balance at Beginning of Year</u>	<u>842,648</u>
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<u>Fund Balance at End of Year</u>	<u>\$ 844,391</u>
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See accompanying notes and Independent Auditor's Report .

East Feliciana Parish Assessor
Clinton, Louisiana
Reconciliation of Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
To the Statement of Activities
For the Year Ended December 31, 2005

Total Net Change in Fund Balances - Governmental Funds (Statement E) \$ 1,743

Amounts reported for governmental activities in the Statement of
Activities are different because:

Capital outlays are reported in governmental funds as expenditures.
However, in the Statement of Activities, the cost of those assets
is allocated over their estimated useful lives as depreciation expense.
This is the amount by which capital outlay exceeds depreciation in
the period.

1,287

Changes in Net Assets of Governmental Activities (Statement B) \$ 3,030

See accompanying notes and Independent Auditor's Report.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The Assessor's office is located in Clinton, Louisiana. The Assessor employed eight full-time employees, including one deputy and two part-time employees for the year 2005. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1, of the tax year. The Assessor completes an assessment listing by May 1, of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector, who is responsible for the collection and distribution of taxes to the various taxing bodies.

At December 31, 2005 there are 11,579 real property and movable property assessments totaling \$64,052,260 and \$30,006,390, respectively. This represents an increase of 121 assessments and an increase of \$1,662,310 over the prior year, due primarily to the reassessment of land real property improvements, and public utilities.

NOTE#1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the East Feliciana Parish Assessor have been prepared in conformity with generally accepted accounting principles accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for established governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Managements Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

The assessor is an independently elected official; however, the assessor is fiscally dependent on the East Feliciana Parish Police Jury. The police jury maintains and operates the parish office in which the assessor's office is located and provides funds for certain expenses of the assessor's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the assessor. For these reasons, the assessor was determined to be a component unit of the East Feliciana Parish Police Jury, the financial

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CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

reporting entity.

The accompanying financial statements present information only on the funds of the assessor and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain tax assessment functions and activities. A fund is defined as a separate accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for most of the assessor's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the assessor. The following are the assessor's governmental funds:

General Fund—the primary operating fund of the assessor and it accounts for all financial resources. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the assessor's policy.

D. MEASUREMENT FOCUS

Government-Wide Financial Statements (GWFS)

The Assessor's basic financial statements include both government-wide (reporting the assessor as a whole) and fund financial statements (reporting the assessor's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the Assessor are classified as governmental.

The Statement of Net Assets (Statement A) and Statement of Activities (Statement B) display information about the reporting government as a whole. They include all the financial activities of the reporting entity, which is considered to be a governmental activity.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested capital assets, net of any related debt; restricted net assets; and unrestricted net assets. The assessor first uses restricted resources to finance qualifying activities .

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from no-exchange transactions are recognized in accordance with the requirements for GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Fund Financial Statements (FFS)

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the assessor's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

Allocation of Indirect Expenses - The assessor reports all direct expenses by function in the Statements of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

E. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual:

The governmental type activities in the government-wide financial statements are presented on

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgements which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are budgeted and recorded in the year the taxes are levied and billed. Ad valorem taxes are assessed on a calendar year basis, become due when the tax roll is filed with the recorder of mortgages and become delinquent on January 1st of the following year. Ad valorem taxes are generally collected in November and December of the current year and January and February of the ensuing year.

The taxes are based on assessed values determined by the East Feliciana Parish Assessor and are collected by the Sheriff. For the year ended December 31, 2005, special assessment district taxes were levied at the rate of 6.39 mills on property with assessed valuations totaling \$878,206,410. Total special assessment district taxes levied during 2005 was \$412,700. There is no allowance for uncollectible receivables because management considers all taxes to be collectible.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

F. CASH AND CASH EQUIVALENTS

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2005, the assessor has cash and cash equivalents (book balances) totaling as follows:

Demand deposits	\$ 21,832
Time deposits	<u>169,269</u>
Total	<u>\$ 191,101</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2005, are secured as follows:

Bank balances	<u>\$ 191,101</u>
Federal Deposit Insurance	\$ 186,318
Pledged securities (Category 3)	<u>151,050</u>
Total Insurance and Securities	<u>\$ 337,368</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

G. INVESTMENTS

The Assessor can invest in obligations of the U.S. Treasury, agencies, and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP). At December 31, 2005, the Assessor had the following investments with brokerage accounts, which are recorded at market value:

	<u>Market</u>	<u>Cost</u>
<u>Money market:</u>		
Treasury Fund-Capital Reserves	\$ 4,473	\$ 2,067
<u>Fixed Income:</u>		
Federal Home Loan Bond	34,048	34,169
Federal Farm Credit Bond	33,753	34,031
Federal National Mortgage Assn. Bond	34,005	34,728
Federal National Mortgage Assn. Bond	<u>31,649</u>	<u>32,243</u>
Total securities	<u>\$137,928</u>	<u>\$137,238</u>

Interest Rate Risk: The Assessor does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

Credit Risk: The Assessor may invest in United States bonds, treasury notes, or time certificates of deposit at any bank domiciled or having a branch office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment.

Custodial Credit Risk: The custodial credit risk for investments is the risk that, in the event of failure of the counter-party to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All of the Assessor's investments are held by the Assessor or its agents in the Assessor's name.

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the

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CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
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straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 7 years
Vehicles	5 years
Equipment	3 - 7 years

I. VACATION AND SICK LEAVE

Employees earn from one to four weeks of vacation leave each year depending on length of service. Vacation leave cannot be accumulated. Employees are allowed seven days sick leave per year which cannot be accumulated. At December 31, 2005, there are no accumulated and vested benefits that require disclosure to conform with generally accepted accounting principles.

NOTE #2 RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, and injuries to employees. To handle some risk of loss, the Assessor has workers' compensation insurance for any employee injured on the job and surety bond coverage. No settled claims from these risks have exceeded insurance coverage for the past three years. There are no significant reductions in insurance coverage from coverage in the prior year.

NOTE #3 LEVIED TAXES

The following public service businesses are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Colonial Pipeline	\$ 10,683,880	11%
Transcontinental Gas Pipe	6,771,860	7%
Entergy Gulf States Inc	4,338,500	5%
Dixie Electric	2,441,500	3%
Bellsouth Telecom, Inc.	1,827,180	2%
Shell Pipeline Company	1,704,510	2%
Felician Bank & Trust	1,476,290	2%
The Highlands Bank	882,970	1%
Landmark Bank	794,630	1%

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Mieco Product Membership	760,590	1%
Total	<u>\$ 31,681,910</u>	<u>35%</u>

NOTE #4 RECEIVABLES

The following is a summary of receivables at December 31, 2005:

Class of receivable:	
Taxes - ad valorem	\$412,700
State Revenue Sharing	<u>130,530</u>
Total	<u>\$543,230</u>

NOTE #5 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) follows:

Balance, January 1, 2005	\$ 67,936
Additions	20,152
Deductions	<u>0</u>
Balance, December 31, 2005	88,088
Less: accumulated depreciation	<u>(57,241)</u>
Net Capital Assets	<u>\$ 30,847</u>

Depreciation expense of \$18,866 was charged to the general government function.

NOTE #6 PENSION PLAN

Substantially all employees of the East Feliciana Parish Assessor's office are members of the Louisiana Assessors' Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan, public employee retirement system (PERS), administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessor's Retirement System, 3060 Valley Creek Road, Baton Rouge, Louisiana 70898, or calling (225) 928-8886.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the East Feliciana Parish Assessor is required to contribute at an actuarially determined rate. The rate was 14.5 percent of annual covered payroll from January through September and decreased to 14.0 percent of annual covered payroll for October through December. Contributions to the System include one-fourth of one per cent (one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the East Feliciana Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The East Feliciana Parish Assessor's contributions to the System for the years ending December 31, 2005, 2004, and 2003, were \$59,800, \$47,727, and \$45,335, respectively, equal to the required contributions for each year.

NOTE #7 DEFERRED COMPENSATION PLAN

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code (IRC) Section 457. The assessor matches the employee contributions 100%. The amount of the employer match for 2005 was \$27,980. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

NOTE #8 POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

All employees who retire from the Assessor's office are eligible for post-retirement health care benefits. The Assessor currently funds the costs of these benefits, but the Assessor is not required to do so. If the Assessor's office should ever experience difficulty funding these costs, this practice would be discontinued. The costs of retiree's health care benefits are recognized as an expense in the year they are paid. For 2005, these costs totaled approximately \$19,476.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005

NOTE #9 FUND EQUITY

1. Reserves - reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.
2. Designated Fund Balance - designated fund balance represents tentative plans for future use of financial resources.
3. Fund Balance - unreserved, undesignated fund balance has a balance of \$844,391.

NOTE #10 EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

The Assessor's office is located in the East Feliciana Parish Police Jury office. The upkeep and maintenance of the building is paid for by the East Feliciana Parish Police Jury. In addition certain operating expenditures of the Assessor's office are paid by the Parish Police Jury as required by Louisiana Revised Statute 33:4713. These expenditures are summarized as follows and are not included in the accompanying financial statements:

Office utilities	\$ 5,263
Office supplies and expense	<u>791</u>
Total	<u>\$ 6,054</u>

NOTE#11 LITIGATION AND CLAIMS

A December 31, 2005, the East Feliciana Parish Assessor is involved in one lawsuit. The Assessor's legal advisor is unable to estimate the ultimate resolution of this suit.

East Feliciana Parish Assessor
Clinton, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenue</u>				
Taxes-ad valorem	\$ 401,407	\$ 401,407	\$ 410,468	\$ 9,061
Intergovernmental-state funds				
State revenue sharing	126,000	126,000	130,530	4,530
Interest on:				
Ad valorem taxes		890	890	
Investments	5,000	5,000	4,725	(275)
Other	<u>500</u>	<u>500</u>	<u>3,842</u>	<u>3,342</u>
Total Revenues	<u>532,907</u>	<u>532,907</u>	<u>550,455</u>	<u>17,548</u>
 <u>Expenditures</u>				
Current:				
General government-taxation:				
Personnel services and related benefits	457,890	457,890	\$ 458,134	(244)
Operating services	33,800	33,800	33,045	755
Office supplies and expense	34,839	34,839	32,847	1,992
Travel and training	5,000	5,000	4,533	467
Capital outlay	<u>40,000</u>	<u>40,000</u>	<u>20,153</u>	<u>19,847</u>
Total Expenditures	<u>571,529</u>	<u>571,529</u>	<u>548,712</u>	<u>22,817</u>
 <u>Excess (Deficit) of Revenues over Expenditures</u>	<u>\$ (38,622)</u>	<u>\$ (38,622)</u>	<u>\$ 1,743</u>	<u>40,365</u>
 <u>Fund Balance at Beginning of Year</u>	<u>842,648</u>	<u>842,648</u>	<u>842,648</u>	<u>0</u>
 <u>Fund Balance at End of Year</u>	<u>\$ 804,026</u>	<u>\$ 804,026</u>	<u>\$ 844,391</u>	<u>\$ 40,365</u>

See Auditor's report and accompanying note to budgetary comparison schedule.

East Feliciana Parish Assessor
Clinton, Louisiana
December 31, 2005

NOTE TO BUDGETARY COMPARISON SCHEDULE

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the assessor and amended during the year, as necessary. The budget is established and controlled by the assessor at the object level of expenditure. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. All changes in the budget must be approved by the assessor.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and budget amendments, if applicable, for the year ended December 31, 2005.

PHIL T. GRAHAM

CERTIFIED PUBLIC ACCOUNTANT
A PROFESSIONAL ACCOUNTING CORPORATION

7732 GOODWOOD BOULEVARD, SUITE F ♦ BATON ROUGE, LOUISIANA 70806

TELEPHONE: 225/928-4865 ♦ FAX: 225/928-4866

June 20, 2006

**Independent Auditor's Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

Honorable Holice T. Jackson
East Feliciana Parish Assessor
Clinton, Louisiana

I have audited the basic financial statements of the East Feliciana Parish Assessor, as of and for the year ended December 31, 2005, and have issued my report thereon dated June 20, 2006. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the East Feliciana Parish Assessor's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instance of noncompliance that are required to be reported under Government Auditing Standards.

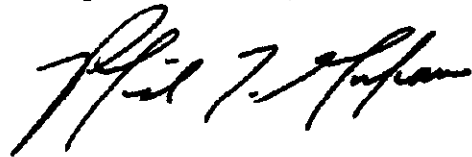
Internal Control Over Financial Reporting

In planning and performing my audit, I considered the East Feliciana Parish Assessor's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of

Honorable Holice T. Jackson
East Feliciana Parish Assessor
June 20, 2006
Page 2

the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the East Feliciana Parish Assessor's office and its management, others within the agency and the legislative auditors office and is not intended to be and should not be used by anyone other than these specified parties. Under La. Revised Statute 24:513, the Legislative Auditor distributes this report as a public document,

A handwritten signature in black ink, appearing to read "Phil T. Jackson", is written over the end of the text block.

EAST FELICIANA PARISH ASSESSOR
CLINTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2005

A: SUMMARY OF AUDIT RESULTS:

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the East Feliciana Parish Assessor.
2. No instances of noncompliance material to the financial statements of the East Feliciana Parish Assessor were disclosed during the audit.
3. No reportable conditions relating to the financial statements are reported in the Independent Auditor's Report on Internal Control.

B : FINDINGS - FINANCIAL STATEMENT AUDIT

None

PRIOR YEAR FINDINGS AND RESOLUTIONS:

There were no findings reported in the audit report for the year ended December 31, 2004.